



The Netherlands Trade Union Co-Financing Programme

An evaluation of support for trade unions and trade union and labour rights

Buitenlandse Zaken
Ontwikkelings
samenwerking



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Preface

For over thirty years the Dutch minister for Development Cooperation has supported trade union organisations in developing countries by means of the Trade Union Cofinancing Programme (VMP). VMP resources are channelled through the Dutch trade union centres CNV (National Federation of Christian Trade Unions) and FNV (Federation of Netherlands Labour Unions), which have both established their own programmes for that purpose: CNV Internationaal en FNV Mondiaal.

Considerable improvements have been made over the last three decades. In many developing countries democratic developments have opened up opportunities for trade unions to stand up for the rights of their members and to influence socio-economic policy on behalf of the poor. At the same time, the trade union movements in these countries face new challenges: globalisation drastically changes labour relations and the proportion of workers earning a living in the informal economy is on the increase. In the formal economy, labour contracts are becoming more flexible and the informalisation of formal employment is affecting labour relations. Insecurity increases as a result of these processes. Furthermore, employment in the public sector, traditionally a major source of trade union membership in developing countries, is declining. These developments affect the trade union movement's representativeness and negotiation power.

In the 1990s, trade union and labour rights were put higher on the international development agenda as a response to the negative effects of globalisation. As laid out in the *Fundamental Principles and Rights at Work* and the *Decent Work Agenda*, the international community, represented by the International Labour Organisation (ILO), advocates a combination of economic development and social redistribution. Its strategy is based on the promotion of basic labour rights, employment, social security and the dialogue between social partners. Each of these elements is considered essential to the realisation of the Millennium Development Goals.

The aim of this evaluation is to establish the extent to which the Netherlands Trade Union Co-financing Programme has reached its objectives for the period 2001-2006 from a structural poverty reduction perspective. These objectives being strengthening trade union organisations and promoting trade union and labour rights in developing countries.

This evaluation was made possible due to the efforts of CNV Internationaal and FNV Mondiaal and their partners in the four countries where field studies were conducted: Colombia, India, Pakistan and South Africa. This report could not have been published without their constructive contributions. The evaluation was carried out under the supervision of IOB-evaluator Piet de Lange, who also wrote the final report. The field studies were conducted by a team of researchers, under the direction of Freek Schiphorst of the Institute of Social Studies in The Hague. The country studies are published on the IOB-website (www.minbuza.nl/iob) under the names of the responsible authors. Throughout the evaluation process, researcher Floor Toll has made valuable contributions to the preparation and implementation of the research and the report. Responsibility for the content of the final report rests entirely with IOB.

Bram van Ojik
Director Policy and Operations Evaluation Department

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The full Dutch version of the evaluation report and the country studies are available at the IOB-website (www.minbuza.nl/iob).

Abbreviations

APTUC	All Pakistan Trade Union Congress (Pakistan)
BWI	Building and Woodworkers' International
CFTUI	Confederation of Free Trade Unions of India (India)
CGT	Confederación General del Trabajo (Colombia)
CNV	National Federation of Christian Trade Unions
CONSAWU	Confederation of South African Workers' Unions (South Africa)
CSR	Corporate Social Responsibility
CUT	Central Unitaria de Trabajadores (Colombia)
DITSELA	Development Institute for Training, Support and Education for Labour (South Africa)
DSI	Directie Sociale en Institutionele Ontwikkeling (Social and Institutional Development Department)
ENS	Escuela Nacional Sindical (Colombia)
FNV	Federation of Netherlands Labour Unions (The Netherlands)
HKMP	Hind Khet Majdoor Panchayat (India)
ICFTU	International Confederation of Free Trade Unions
IHRG	Industrial Health and Research Group (South Africa)
ILO	International Labour Organisation
IOB	Policy and Operations Evaluation Department
ITUC	International Trade Union Confederation
LFA	Logical Framework Approach
MDGs	Millennium Development Goals
NASVI	National Alliance of Street Vendors of India (India)
PILER	Pakistan Institute of Labour Education and Research (Pakistan)
PME	Planning, Monitoring en Evaluation
SEWA	Self Employed Women's Association (India)
SMT	Specific, Measurable, Time-specific
UN	United Nations
VERBA	Strengthening Trade Action
VMP	Trade Union Co-Financing Programme

WCL	World Confederation of Labour
WCN	Workers' College Natal (South Africa)

1 Introduction

1.1 Design of the evaluation

The Trade Union Co-Financing Programme (VMP) has existed since 1975. It was established with the goal of encouraging trade union centres in the Netherlands in their efforts to strengthen unions in developing countries with a view to structural poverty reduction.

This evaluation has targeted the policy's component that is aimed at strengthening the trade union movement and trade union and labour rights. The research covers the period from 2001 through 2006. It includes the grant period 2001-2004 and the first two years of the 2005-2008 grant period. The focus is on countries in Africa, Asia and Latin America.

Research comprised several components: a policy reconstruction assessing the VMP policy framework and the CNV Internationaal and FNV Mondiaal programmes; a desk study of the support CNV Internationaal and FNV Mondiaal provided to their partners; and field studies carried out at the partner organisations of CNV Internationaal and FNV Mondiaal in Colombia, India, Pakistan and South Africa.

The implementation of this evaluation is closely determined by the context in which the VMP is carried out and its consequences for those who carry it out (CNV Internationaal and FNV Mondiaal). This context has characterised the programme's political dimension and a number of key issues facing the trade union movement in developing countries. Among the long-term themes central to this evaluation are: the trade union movement's contribution to poverty reduction, the trade union movement's position with regard to the informal economy, its representativeness, and the turnover of executive and management personnel. As a result of this turnover, the provision of training has become

essential in order to maintain the capacity of the trade union movement, which is at odds with the general concept of sustainable capacity building.

1.2 Policy context

1.2.1 International policy context

The mobility of capital, commodities and information has increased dramatically due to globalisation. It has made it much easier to reduce costs by transferring manufacturing to low-wage countries. In most developing countries globalisation, in combination with the shrinkage of government and the privatisation of public enterprises, has caused a drastic decrease in formal employment. Moreover, the significance of the informal economy (which has always been considerable in most developing countries) further increased. In response to this 'lopsided development', many developing countries implemented far-reaching labour deregulation measures in order to maintain their competitiveness and ability to participate in the global economy.

At the 1995 *UN World Summit for Social Development* in Copenhagen, government leaders acknowledged that globalisation has drawbacks and negative effects. At their request, the International Labour Organisation introduced the *Decent Work Agenda* in 1999, with the purpose of translating the 1998 *Fundamental Principles and Rights at Work* into pragmatic policy. It promotes a combination of economic development and social redistribution. With the *Decent Work Agenda*, the ILO for the first time defines 'labourers' as a target group. This means it explicitly targets not only formal employees, but also all men, women and children working in the informal economy.

The informal economy poses a challenge to the long-established trade union movement. On the one hand, the informal economy provides accessible employment that is essential to the subsistence strategy of large numbers of people. On the other hand, informal labour is characterised by low wages, insecurity and exploitation. The key question facing trade unions today is whether to concentrate solely on maintaining existing arrangements and promoting the interests of their traditional membership base, or choose to also defend the interests of informal workers, which would require a drastic change of strategy.

One of the most significant developments in today's global labour market is the growing participation of women (from 0.8 billion in the late 1980s to 1.22 billion in 2005). This growth primarily occurred in the informal economy of developing

countries. This implies that the working conditions of these women are mostly poor. They are engaged in simple labour, underpaid, particularly vulnerable to work violence, particularly sexual violence. The opportunities these women have to lead equal and independent lives are significantly diminished by their domestic duties.

In November 2006, the International Trade Union Confederation (ITUC) was founded in place of two global umbrellas, the International Confederation of Free Trade Unions (ICFTU) and the World Confederation of Labour (WCL). This merger was initiated for a number of reasons: because one international trade union movement is more effective and provides a more decisive response to the globalisation, flexibilisation and informalisation of labour relations; because it provides a stronger and more fully representative position in international forums such as the International Labour Organisation, the World Bank and the International Monetary Fund; because it prevents harmful competition between both trade union families; because it permits a potential expansion of the trade union movement by attracting previously unaffiliated unions as members; and because it would save the costs of maintaining mutual relations. Dwindling union membership has also been one of the main considerations.

1.3 VMP policy framework

In 1975, the Dutch minister for Development Cooperation first allocated direct funding to the predecessors of the Federation of Netherlands Labour Unions (FNV) and the National Federation of Christian Trade Unions (CNV). This decision was based on the consideration that ‘local trade union movements can make a valuable contribution to the emancipation of the impoverished masses in developing countries and to the social development of these countries in general.’

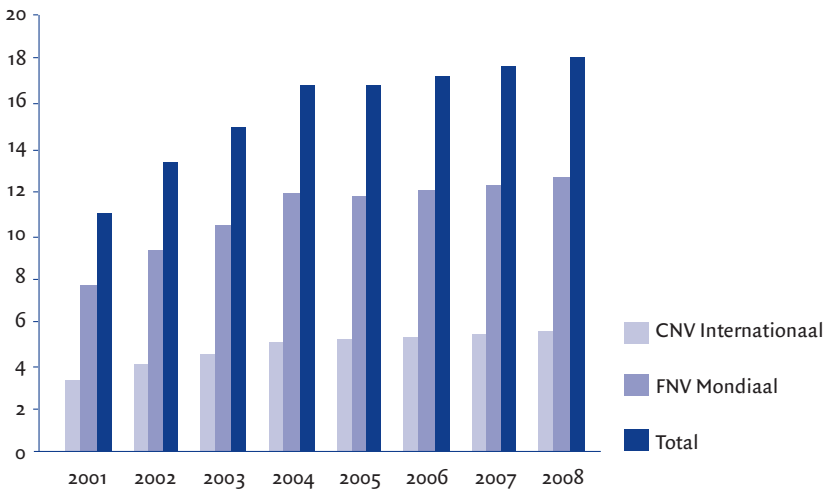
In 1985, the ministry decided to switch from project to programme funding and the Dutch Trade Union Cofinancing Programme (VMP) developed into its current form. This transition marks a point when in several developing countries it had become possible for free and independent trade unions to operate and the focus shifted to the strengthening of the trade union movement.

Because structural poverty reduction is the primary goal of the Dutch development policy and because strong civil society organisations are essential, the specific objective of the VMP policy framework 2005-2008 was formulated as follows: ‘to contribute to the strengthening of trade union organisations in developing

countries and to promote labour rights worldwide.’ Employees form a specific target group. In addition, special attention is given to child labourers and other disadvantaged groups in the labour market, many of whom are underrepresented by trade unions. They include women, young people and workers in the informal economy. Additional focal points to the 2005-2008 VMP policy framework are HIV/AIDS and corporate social responsibility (CSR).

Figure 1.1 shows a gradual increase in the VMP budget since 2001. The total VMP grant was EUR 55.7 million for 2001-2004 and EUR 69.6 million for 2005-2008.

Figure 1.1 VMP expenditure 2001-2008 (in EUR mln)



* For the period 2001-2006 these are actual expenditures, for the period 2007-2008 these are estimated expenditures. Source: Financial administration Dutch ministry of Foreign Affairs.

Of this total, EUR 21.3 million was allocated to CNV Internationaal and EUR 48.3 million to FNV Mondiaal. CNV Internationaal received an annual grant of EUR 5.0 million; FNV Mondiaal’s annual grant was EUR 12.0 million.

The Social and Institutional Development Department (DSI) acts as the administrator of the VMP, as contact for CNV Internationaal en FNV Mondiaal and as internal liaison, on behalf of the ministry. Additionally, the directors of both trade union centres formally hold an annual policy consultation with the minister for Development Cooperation.

1.4 CNV Internationaal and FNV Mondiaal programmes

The VMP is implemented by CNV Internationaal, the international department of the CNV, and by FNV Mondiaal, a foundation administered by the FNV.

CNV Internationaal

The National Federation of Christian Trade Unions (CNV) has a Christian social vision. Based on this vision and on its open approach to other religions, CNV is committed to a world without poverty where people have equal opportunities and where sustainable development is paramount. CNV pursues these objectives through CNV Internationaal by providing technical, financial and moral support to trade union organisations in Africa, Asia, Latin America and Central and Eastern Europe. The implementation of the programme is based on the idea that unions in the South go through a process of growth and professionalization that is similar to what CNV itself went through, be it often under different and more complex circumstances. It is CNV's intention to support trade union organisations in the South based on the same principles that also apply to trade union members in the North. Pluriformity is a key concept in this regard: it is a matter of principle for CNV that workers in the Netherlands can freely choose the trade union they want and are not bound to a unitary trade union centre. It therefore argues that labourers in developing countries should also be given a choice. Based on this principle, CNV supports initiatives of trade unions in developing countries that want to organise independently from unitary trade union centres. According to CNV, most of these unitary trade union centres are politically dependent.

CNV supports organisations that, like CNV, were previously members of WCL and presently of ITUC.

The general strategy adopted by CNV is strengthening trade union organisations (capacity building). Ninety-five percent of the projects are concerned with 'training and education' or organisational development.

CNV International usually engages in long-term (financial) relations with partner organisations and finances components of their regular work programme, which means it is basically a matter of programme or organisational funding.

In addition to direct support to its partners, CNV Internationaal also focuses on 'lobbying and campaigning' and 'providing information and gaining social support in the Netherlands.' For that reason, CNV offers its 330,000 members

the opportunity to support specific projects. In addition, CNV managers sign collective bargaining agreements earmarking funds to support trade unions in the South.

For the VMP grant period 2001-2004, CNV Internationaal received EUR 16,767,217.57 and for 2005-2008 this amounts to EUR 21,281,642.00. This accounts for approximately 95 percent of CNV Internationaal's total budget. The other five percent is contributed by CNV members and through collective bargaining agreements.

FNV Mondiaal

The FNV seeks to establish just, peaceful and democratic social relationships throughout the world. It wants to contribute to poverty reduction and social development by strengthening democratic, independent and representative trade unions, which effectively promote the interests of workers in developing and transitional countries. FNV Mondiaal approaches poverty reduction from a trade union perspective and defines it in terms of labour, income, and co-determination.

FNV Mondiaal has based its policy on three principles: 1) recognition of trade union rights, 2) strengthening and modernising trade unions, 3) corporate social responsibility. The second principle 'strengthening and modernising trade unions' FNV Mondiaal links together five themes: child labour, gender, informal economy, and HIV/AIDS, as well as the theme 'trade union building and support'. This last theme covers changing existing negotiation practices, service provision, mobilisation, lobbying, etc.

In addition to supporting trade union organisations in developing countries, FNV Mondiaal promotes its interests in (inter)national political decision-making processes and provides information and raises awareness on issues related to international justice and solidarity.

FNV Mondiaal mainly supports organisations that, like FNV, were previously members of ICFTU and presently of ITUC, or related organisations.

For the VMP grant period 2001-2004, FNV Mondiaal received EUR 38,961,463.63 and for 2005-2008 this amounts to EUR 48,285,900.00. This accounts for approximately 90 percent of FNV Mondiaal's total budget. The other 10 percent are contributed by the members of the FNV trade union centre.

2 Desk and Field Studies

2.1 Desk study

2.1.1 Efficiency

Table 2.1 outlines the number of projects that were carried out efficiently, meaning that the planned output was realised within the planned time frame and budget.

Output	No. of projects	% of the total no. of projects (103)
Planned output results	102	99
Specific, measurable and time-specific planned output	92	89
Output results realised (realised for 80-100 percent, within the time frame and budget)	60	58
Output results realised (realised for 50-80 percent, within the time frame and budget)	10	10

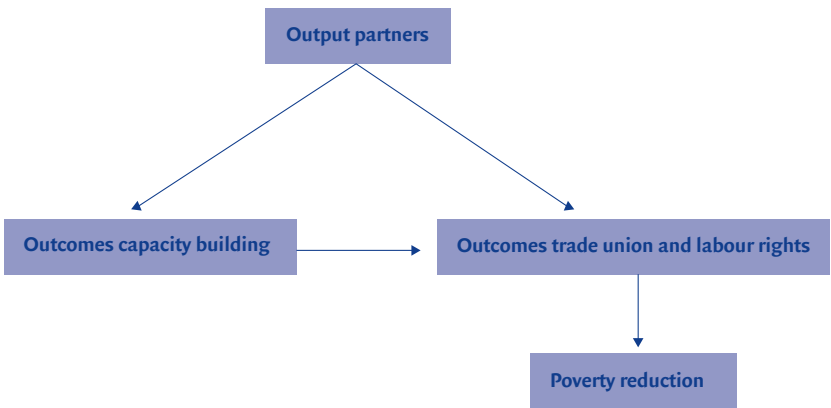
Source: IOB database.

Based on project files, it can be established that in 60 of the 103 projects outputs have been realised for 80-100 percent, within the available budget and without substantially exceeding the time frame. Counting all projects in which output was realised for more than 50 percent, the total amounts to 70. For another 12 projects it is to be expected that output has been realised for 80-100 percent, although this was not explicitly mentioned in the project proposals or reports.

2.1.2 Effectiveness

Figure 2.1 illustrates that trade union and labour rights are promoted in different ways. First, it is possible that output (training courses, research results, conferences) contributes to capacity building, which in turn has a positive effect on trade union and labour rights, which ultimately contributes to poverty reduction. A second possibility is that output (organising workers in the informal economy, lobbying) is directly aimed at the improvement of trade union and labour rights. The outputs of other projects are both aimed at capacity building as well as trade union and labour rights. Effectiveness in this regard means that VMP support has enabled the particular partner to contribute to the realisation of one of the two objectives of the VMP policy framework, i.e. strengthening the capacity of trade unions and promoting trade union and labour rights.

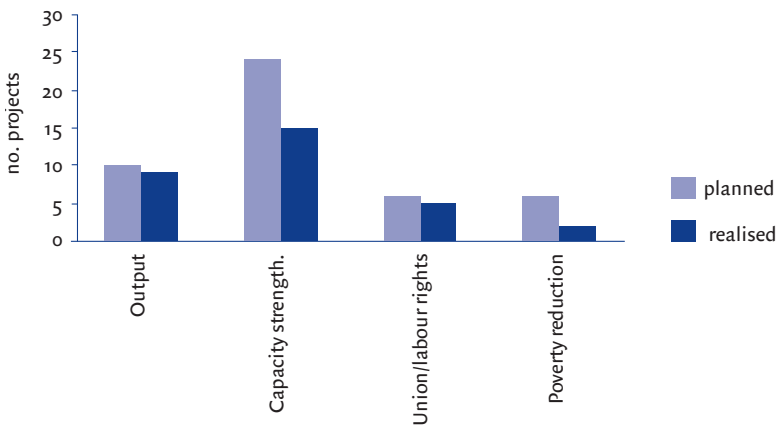
Figure 2.1 VMP Objectives



What is most striking about figure 2.2 is the overall limited number of projects that formulate results aimed at the promotion of trade union and labour rights. It is also striking most projects have a gradational structure, meaning that their envisaged output contributes to capacity building, which should in turn improve trade union and labour rights, which ultimately leads to poverty reduction.

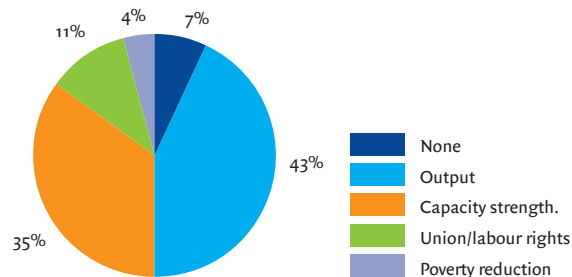
2.1.3 Effectiveness of the CNV Internationaal programme

Figure 2.3 CNV Internationaal: highest result level planned and realised



Source: IOB Database.

Figure 2.4 CNV Internationaal: highest result level planned and realised



Source: IOB Database.

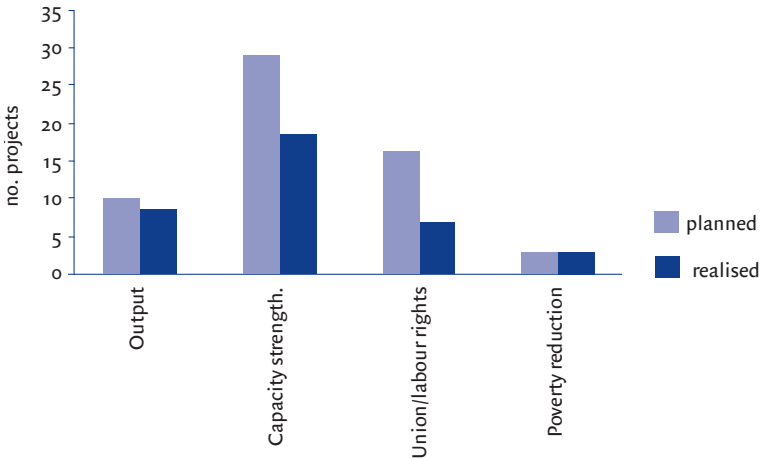
The desk study covers 46 CNV Internationaal projects. Ten of these projects were planned to realise output only. Nine were carried out according to plan, realising the planned output for 80 to 100 percent. In addition, figure 2.3 indicated that the focus of CNV Internationaal's ambition is on capacity building: it is the highest ambition level of 24 projects, and for 15 of these it is established that the envisaged capacity building was realised for more than 50 percent. This result cannot be confirmed in case of the other nine projects, because planned result are not reported or because the report indicates that the planned results were not obtained. The Strengthening Trade Action-project (VERBA) was one of these.¹ Six projects have formulated improved trade union and labour rights as their highest result level; in five of these projects results were actually realised for more than 50 percent. It should be noted however, that these five projects envisages several different results, both on the level of capacity building and trade union and labour rights. The realised results concerning trade union and labour rights form a limited part of the total project results. Six projects target poverty reduction as one of their ambitions. In only two cases it is reported that results have been realised for more than 50 percent

Figure 2.4 indicates in what ways projects have contributed to the objectives of the Trade Union Cofinancing Programme. What is most striking is that, on balance, half of CNV Internationaal's projects show no indication of having contributed to the VMP objectives: in 7 percent of the projects no demonstrable results were reported at any of the result levels, and in 43 percent of the cases only output level results were reported. Thirty-five percent of the projects contribute to capacity building, which is in accordance to CNV Internationaal policy, which concentrates on strengthening the trade union movement. Eleven percent of CNV Internationaal projects contribute to the VPM objectives by promoting trade union and labour rights whereas four percent contribute to poverty reduction. Considering the gradational structure of these projects, it is to be expected that they are successful at the lower result levels as well.

¹ VERBA is a worldwide project directed at strengthening union centrals and their associated federations within the WCL-network. After a fase of consultations at the international and regional level, it was decided to design a training-programme directed at: capacity building, informal economy, and multinational enterprises. VERBA I was a 3,5 year project (until July 30st 2006). The budget was EUR 3.8 mln., completely financed by CNV Internationaal. In 2006 VERBA was prolonged for another three years (until 2009): VERBA II, with the intention to prolong it until July 2010.

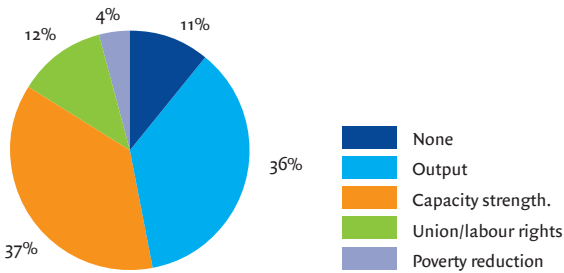
2.1.4 Effectiveness of the FNV Mondiaal programme

Figure 2.5 FNV Mondiaal: highest result level planned and realised



Source: IOB database.

Figure 2.6 FNV Mondiaal: highest result level realised



Source: IOB database.

Fifty-seven FNV Mondiaal projects were assessed (figure 2.5). Ten of these were only aimed at output. Eight of these ten were successful. For FNV Mondiaal the focus is also on capacity building (29 projects). Results were realised for more than 50 percent in nineteen of these 29 projects. For sixteen projects (approximately one third of the projects evaluated) the highest ambition was to promote trade union and labour rights. This is a remarkably high number, considering the fact that FNV Mondiaal policy primarily targets capacity building.

In seven cases, the envisaged results were actually realised for more than 50 percent. Two of the FNV Mondiaal projects had poverty reduction as their ambition level. Both projects are reported to have (partly) realised the planned results.

Figure 2.6 indicates that 36 percent of the projects report only output. The effects of this output on the higher result levels are not specified. Eleven percent of the projects report no output or outcome-level results. It is established that fifty-three percent of FNV Mondiaal projects contribute to the VMP objectives (37 percent to capacity building, 12 percent to trade union and labour rights and four percent to poverty reduction).

CNV Internationaal and FNV Mondiaal are not far apart with respect to their actual contributions to the attainment of the VMP objectives. It can be established that approximately 50 percent of the projects carried out by both organisations contribute to capacity building. In addition, 15 percent of their projects also contribute to the promotion of trade union and labour rights or poverty reduction. It is established that approximately 40 percent of the projects only realised the planned output. In approximately ten percent of the projects, even this could not be established.

2.2 Field study findings

The desk study, which focused on the effectiveness of the CNV Internationaal and FNV Mondiaal programmes, did not distinguish between the different types of organisation that implemented the projects. Nevertheless, it is clear that a training institute pursues other objectives and other results than, for example, an organisation committed to improving the working conditions in the informal sector. In order to be able to take these differences into account, partner organisations visited during the field studies are divided into three categories:

- 1) National trade union centres: Central Unitaria de Trabajadores (CUT) in Colombia, Confederación General del Trabajo (CGT) in Colombia, Confederation of Free Trade Unions of India (CFTUI), All Pakistan Trade Union Congress (APTUC) and the Confederation of South African Workers' Unions (CONSAWU). With the exception of the CUT, these are all partners of CNV Internationaal.
- 2) Trade organisations supporting those who work in the informal economy: Pakistan Institute of Labour Education and Research (PILER), Self Employed Women's Association (SEWA) in India, National Alliance of Street Vendors of

India (NASVI) and Hind Khet Majdoor Panchayat (HKMP) in India. These four organisations are partners of FNV Mondiaal.

- 3) Research and training institutes: Escuela Nacional Sindical (ENS) in Colombia, Development Institute for Training, Support and Education for Labour (DITSELA) in South Africa, Workers' College Natal (WCN) in South Africa, Industrial Health and Research Group (IHRG) in South Africa and Workers' Education Project (WEP) in South Africa. Except for the WEP, these are all partners of FNV Mondiaal.

A number of organisations have characteristics of different organisation types. For example, IHRG and CGT also engage in the promotion of broader social interests, whereas PILER also organises research and training activities. The classification specified above is therefore based on the currently prevailing views and priorities of these organisations as established by the field researchers.

Effectiveness

As it turned out, the projects aimed at workers in the informal economy, all of which were in fact carried out by partners in Asia, were most successful in realising the VMP objectives; in addition to capacity building, they improved trade union and labour rights and, in some cases, contributed to poverty reduction. The projects carried out by trade union centres show results with respect to capacity building and are still characterised by a focus on output: training courses, workshops, etc. The projects of research and training institutes primarily achieved outputs. Their contribution to capacity building involves increased knowledge and skills of trade union board members and management. It has not been possible to establish the extent to which these members have applied their new knowledge and skills in practice, or whether the projects actually led to results in terms of trade union strengthening or improved trade union and labour rights. The field study confirms the findings of the desk study.

According to the assessment, national trade union centres have the intention to address informality issues and support informal economy workers but lack the strategies and expertise needed to mobilise this sector of workers and serve their interests. Research and training institutes are also unable to fill this gap. Trade unions explicitly seeking to organise those working in the informal economy have achieved impressive results in terms of promoting trade union and labour rights (new national policy in India on behalf of street vendors, a municipal street vendor permit, reduction of child labour in the brick kiln industry) and in a number of cases also in terms of poverty reduction (children's education, income generation

for women working in the informal economy). Although a number of research and training institutes do provide courses dealing with issues related to the informalisation of employment, they have not come up with a practical approach to actually address the problems of the informal economy.

As far as gender is concerned, results are mixed. Training institutes generally meet their objective to improve women's participation. A number of trade unions have improved the representation of women, whereas other partners have not been able to achieve the envisaged results in this respect. Improved representation of women has rarely resulted in gender-specific policy. One positive exception is SEWA, which exclusively targets women in the informal economy.

Sustainability

Many of the results achieved by trade union centres are concerned with capacity building. However, trade union and labour rights are under constant pressure as the high turnover of executive and management personnel makes it impossible to promote these rights adequately. Trade union centres have little or no prospect of self-financing their activities. As a result, the sustainability of their results largely depends on donors' willingness to continue their support. Trade union centres focusing on the informal economy are even more financially vulnerable and dependent due to the weak financial position of the people whose interests they serve. This is particularly the case for umbrella organisations, such as the National Alliance of Street Vendors of India (NASVI), as their self-financing depends on contribution payments from affiliated unions. Research and training institutes were found to be sustainable only in case they are sufficiently supported by trade unions that guarantee their demand for services and are able to pay for them, or through government grants. If this kind of support is unavailable, these institutes depend on donor support.

Result-oriented approach

Since 2002, CNV Internationaal and FNV Mondiaal have made efforts to improve the quality of planning, as well as monitoring and evaluation. For this reason they have developed their own methods and organised workshops and training courses for their partners.

The field studies indicate that most partners acknowledge the need for result-oriented planning and reporting. But the extent to which they accept the specific planning methodologies introduced by CNV Internationaal and FNV Mondiaal (the CNV Internationaal-PME method and the Logical Framework Approach - LFA,

respectively) varies widely. Some partners accept the method, others are still in the familiarising phase, whereas a number of partners want to reject it. However, partners realise that they need to apply the methodology in order to be eligible for support. This is particularly important to the organisations that dependent most on VMP support. Thus, sustainable application of the method is not guaranteed. A number of partners have become more appreciative of the method as they have experienced its beneficial effects. It was found that the level of acceptance increased when the method was implemented in close consultation with the partner. Introduction and refresher courses also have a very positive effect on the organisations and their efforts to become familiar with the method.

Figure 2.7 shows that six partners have positive scores on five or more indicators. ENS scored exceptionally well with nine positive scores. Five partners only received positive scores on two or three indicators.

Figure 2.7 Overview result-oriented planning indicators

	ENS	CUT	NASVI	BWI/HKMP	SEWA	PILER	WCN	DITSELA	IHRG	CGT	CFTUI	APTUC	CONSAWU
Objectives	Green	Green	Blue	Green	Green	Orange	Green	Orange	Green	Blue	Blue	Green	Green
Outcome	Green	Blue	Blue	Green	Green	Green	Green	Blue	Blue	Green	Orange	Green	Blue
Output	Green	Green	Green	Green	Green	Blue	Green	Orange	Green	Blue	Blue	Green	Green
Rel. outcome-output	Green	Blue	Green	Orange	Orange	Blue	Blue	Green	Green	Orange	Orange	Green	Blue
Activities	Green	Blue	Blue	Orange	Orange	Orange	Green	Orange	Orange	Blue	Green	Green	Green
Budget	Green	Green	Green	White	Green	Orange	Green	Green	Orange	Blue	Blue	Green	Blue
Time horizon	Green	Blue	Green	Green	Green	Green	Green	Orange	Orange	Green	Green	Green	Green
Context analysis	Green	Orange	Orange	Green	Blue	Blue	Orange	Green	Green	Blue	Orange	Blue	Green
Gender	Green	Orange	Orange	Green	Green	Blue	Orange	Green	Orange	Blue	Orange	Blue	Green

- Planning convincingly indicates that this indicator is met.
- Planning indicates that this indicator is met, but it is not clearly defined.
- Planning does not, or not sufficiently, indicate whether this indicator is met.
- Data not assessed.

Source: IOB database.

The overview of different indicators shows that most partners score positively on ‘Description of objectives’, ‘Description of envisaged outcomes’, ‘Description of envisaged outputs (quantitative/qualitative)’, and ‘Indication of time horizon

for completion'. Least partners have a positive score on 'Relationship between outcomes and outputs', 'Description of context', and 'Attention to gender-specific aspects'.

Several different factors have an influence on the quality of the planning, however, the cases of the Escuela Nacional Sindical (ENS, Colombia) and the All Pakistan Trade Union Congress (APTUC) reveal a positive relation between the intensity and the duration of CNV Internationaal and FNV Mondiaal support efforts and the quality of the planning. The poor quality of the planning of the Development Institute for Training, Support and Education (DITSELA) in South Africa is explained by the fact that it was completed before DITSELA was trained in the use of the LFA method.

With the exception of the highest integration level (when result-oriented planning is fully integrated at all organisational levels), all levels of integration are found in the evaluation. This image is reflected in the willingness of partners to apply the PME method, which ultimately results in improved projects plans and reports. Organisations that did not score as well tend to have no sense of 'ownership' of the method. The integration level is not only determined by the quality of the planning, monitoring and evaluation method but also on a number of other factors. Most notably: 1) whether the partner organisation had already adopted its own planning methodology (and developed a strong opinion), 2) the organisational culture (action oriented, focussed on emancipation processes), 3) the partner's autonomy, 4) the way in which the method was implemented, 5) the time frame and the level of difficulty experienced by the organisation during the implementation process, 6) whether demands were made by other donors, 7) flexibility accepted by the donor in the implementation of the method and 8) the extent to which the method is supported by the organisation's board and management.

3 Main Findings, Points of Interest and Dilemmas

3.1 Main findings

The main findings are answers to the key evaluation questions concerning the efficiency, effectiveness and relevance of the Trade Union Cofinancing Programme and they explain the factors relevant to it.

Efficiency

1. *Basically all projects financed by CNV Internationaal and FNV Mondiaal are carried out within the planned time frame and budget. Still, efficiency should be improved at project level.*

The desk studies show that 60 of the 103 projects assessed have realised output (in the form of training sessions, workshops, etc.) for 80 to 100 percent, within the available budget and without substantially exceeding the time frame. If we include all projects that have been realised for more than 50 percent as well as 12 other projects in which output is most likely realised, this percentage rises as high as 80 percent.

Project assessments by CNV Internationaal and FNV Mondiaal devote little attention to efficiency. It is not considered whether the envisaged results could have been realised at less cost. This consideration is relevant, however, particularly in case of projects with a training and education component as well as international and regional projects, in which the costs of regional and international coordination and preparation of activities require more attention.

2. *As far as the design of their programmes is concerned, CNV Internationaal and FNV Mondiaal pay relatively little attention to efficiency.*

Efficiency considerations play a minor part in the design of CNV Internationaal and FNV Mondiaal programmes, for example, in their decisions to offer bilateral assistance in a large number of countries, to provide their assistance bilaterally or multilaterally or through international projects, or to support a large number of projects with a small budget.

Effectiveness

3. *Thirty-five percent of the projects assessed have contributed to the capacity building objective. Another 15 percent have contributed to the objectives of promoting trade union and labour rights and/or poverty reduction, in addition to capacity building. In 40 percent of the projects, only output results were established. This does not mean, however, that this output has had no effect on capacity building or promoting trade union and labour rights. In 10 percent of the projects, no results (i.e. outputs or outcomes) have been established.*

For twenty of the 103 projects only outputs were formulated. Seventeen of these have realised this envisaged output.

Fifty-three projects had a capacity building objective. It is established that the envisaged results of 34 of these projects were realised for more than 50 percent. The Strengthening Trade Action project, taking up 25 percent of CNV Internationaal's annual budget, did not achieve capacity strengthening as envisaged.

Thirty projects were developed to promote trade union and labour rights and/or poverty reduction. It is established that the envisaged results of 15 of these projects were realised for more than 50 percent. The percentage of projects that did not meet the expectations regarding the promotion of trade union and labour rights is similar for both CNV Internationaal and FNV Mondiaal, and for both their bilateral and multilateral projects.

This score indicates that projects carried out in the framework of the Trade Union Cofinancing Programme generally achieve the planned output, that they are relatively successful with respect to capacity building, but that, with a few exceptions, the trade union and labour rights objective is not met. Conclusion five will provide more detailed explanations for this level of effectiveness. Apart from this, conclusion four suggests that the policy framework of the Trade Union Cofinancing Programme has not been formulated clearly enough in

terms of envisaged results. Consequently, this evaluation does not allow further conclusions about the programme's overall effectiveness.

As far as gender is concerned, results are mixed. A number of trade unions show proportional representation of women within the organisation, whereas other partners have not yet fully integrated gender policies. The improved representation of women, however, has rarely resulted in gender-specific policies.

CNV Internationaal and FNV Mondiaal provide bilateral support to national trade union centres, trade union organisations specifically promoting the interests of people working in the informal economy, and research and training institutes.

Organisations supporting workers in the informal economy turned out to be most effective in realising the objectives of the Trade Union Cofinancing Programme. The assessment shows that nine projects targeting this sector contribute to capacity building, whereas six of these also promote trade union and labour rights and sometimes also poverty reduction.

The projects carried out by trade union centres primarily achieve results in the field of capacity building. Most trade union centres are insufficiently aware of the limited potential of training courses, workshops, etc. for strengthening and modernising their organisations. It is remarkable that, in spite of the general trend of declining trade union membership, CNV Internationaal's partners report strong membership growth. The evaluation has not provided an adequate explanation for it.

Research and training institutes have achieved output results such as training courses, research reports and advice. Their contributions to capacity building consist of increased knowledge and skills of trade union board and management members. It has not been possible to establish the extent to which these members have applied the acquired knowledge and skills in practice, or whether these contributions have brought about changes in the organisation.

4. *The VMP policy framework is formulated in general terms and therefore lacks clarity regarding priorities and envisaged results.*

The 2005-2008 VMP policy framework is a major improvement compared to the 2001-2004 policy framework. It is in accordance with, and relevant to, international policy on trade union and labour rights and geared to the Millennium Development Goals. It is also based on the general notion of the trade union movement as a key player in civil society in developing countries. However,

this notion is not adequately geared to the actual challenging conditions trade unions in developing countries operate under. The policy framework does not sufficiently focus on the dilemmas facing the trade union movement, particularly with regard to workers in the informal economy. From the perspective of structural poverty reduction, these workers constitute by far the largest and most significant part of the working population in developing countries.

The VMP policy framework is based on the assumption that strengthening trade unions in developing countries will lead to improved trade union and labour rights, subsequently to better conditions for workers and poor, and ultimately to structural poverty reduction. However, the way in which objectives, results and priorities are formulated does not provide adequate insight into the various factors that have an effect on the result chain and the risks involved.

The objectives of CNV Internationaal and FNV Mondiaal are in line with the VMP policy framework. Their policies primarily focus on strengthening the capacity of the trade union movement, whereas the effects of this policy on trade union and labour rights have not been adequately established. Because the ministry and CNV Internationaal and FNV Mondiaal never really had a substantive discussion about the policy to be pursued, the focus CNV Internationaal en FNV Mondiaal put on capacity building was never discussed.

5. *The effectiveness of the VMP programme is determined by both external factors, i.e. the conditions under which trade unions in developing countries operate, as well as internal factors, i.e. the implementation by CNV Internationaal and FNV Mondiaal and their partners.*

The trade union movement in developing countries

The trade union movement in developing countries often operates under difficult circumstances. In many countries, there is little room for freedom of speech and trade union and labour rights are under pressure. The trade union movement is confronted with the informalisation of formal employment and the increase of the informal economy. Furthermore, its representativeness is decreasing and its position as negotiation partner is under pressure. The trade union movement itself does not have a very proactive approach and is experiencing difficulties coping with the changing conditions caused by globalisation. In addition, trade unions are generally action-oriented organisations that are quick to respond to new developments but have more difficulties pursuing long-term goals that cannot easily be predicted.

Implementation by CNV Internationaal and FNV Mondiaal

The reasons for CNV Internationaal and FNV Mondiaal to select a particular country or partner are usually not specified or else formulated in very general terms. A proper context and organisation analysis is often lacking due to the inadequate capacity of partners in developing countries to make a context analysis. Another reason for this lack is the large number of countries receiving bilateral assistance, which makes it more difficult to build specific knowledge on the trade union movement and labour issues in each of those countries.

The reasons for projects approval are not adequately specified. Thus, little critical attention is paid to the question whether and how capacity building will in the long run lead to improved trade union and labour rights and possibly to poverty reduction, and whether the project's time frame is realistic in that respect.

Multilateral projects carried out through Global Union Federations and the Strengthening Trade Action-project (VERBA) have not been assessed thoroughly enough to guarantee that they are location specific, in accordance with the priorities of local unions and contribute to sustainable results in the field of trade union and labour rights.

Partners

Three of the five national trade union centres assessed proved to make a significant contribution to the Trade Union Cofinancing Programme. Even though most of their members do not belong to the poorest strata of the population, their role is still important because of the way they promote trade union and labour rights and make efforts to influence socio-economic policy under difficult circumstances. The other two made no significant contributions in this respect. The assessed trade unions active in the informal economy are relevant to the Trade Union Cofinancing Programme because their members belong to the poorest strata of the population and because of the results they have been able to achieve. A characteristic of these organisations is that they not only focus on employer-employee relations but take a wider approach to working conditions and the emancipation of their members.

It is disputable whether the research and training institutes training trade union cadres in South Africa have made any significant contribution to the Trade Union Cofinancing Programme. They offered their services to trade unions that primarily serve the interests of people working in the formal economy, who generally do not belong to the poorest sections of the population.

The establishment of the International Trade Union Confederation (ITUC) has had consequences for the way international support for trade union organisations in the South is organised. It was agreed within ITUC that all donor support is to contribute to the unification process. Due to this unification, CNV Internationaal and FNV Mondiaal are now part of the same international networks. At this point it is not yet possible to determine what effects the creation of ITUC will have on the Trade Union Cofinancing Programme.

Sustainability

6. *Capacity building results are under constant pressure and require partners' continuous efforts, mostly in the form of training and education. There is little to no prospect of these activities being self-financing. Consequently, the sustainability of these results largely depends on donors' willingness to continue their support.*

The capacity of the trade union centres assessed is under constant threat due to the high turnover of executive and management personnel. Continuous training and education activities are required in order to maintain organisational capacity levels. However, membership fees are insufficient to pay for these kinds of activities and trade union centres have no prospect of generating the required funds in the near future. In fact, the financial dependence of informal economy trade organisations is even more critical due to the poverty of the people whose interests they represent. This is particularly the case for national organisations, such as the National Alliance for Street Vendors of India (NASVI); their self-financing depends on contribution payments from affiliated unions. Research and training institutes were found to be sustainable only if there is sufficient demand for their services from trade union organisations and if they are willing to pay for these services, or if they receive government support. As this is rarely the case, these institutes depend on donor support.

In practice, CNV Internationaal and FNV Mondiaal support can often be characterised as programme or organisational funding. Only rarely does the principle apply that external support should only have a catalysing function and that sustainable results are to be achieved with independent means.

Planning, monitoring and evaluation method

7. *Current planning, monitoring and evaluation methods used by CNV Internationaal (CNV-PME) and FNV Mondiaal (Logical Framework Approach,*

LFA) have significantly improved planning, both for CNV Internationaal and FNV Mondiaal, as well as their partners. However, this improvement has not resulted in adequate progress reports for the ministry.

CNV Internationaal and FNV Mondiaal have a high priority for planning, monitoring and evaluation, which is expressed in their efforts to improve the planning of activities of their partners by introducing their own methods. Thus, their partners have improved their knowledge of result-oriented planning and reporting. Most partners accept and apply the CNV-PME and LFA methods, but some do not. The extent to which the method is integrated into the partner organisation varies.

In their project management, CNV Internationaal and FNV Mondiaal primarily focus on accountability for outputs and budgetary management. Both organisations still make insufficient use of the result information to adjust policy. One of the reasons for this is that the LFA and CNV-PME methods do not yet yield all the information required for this purpose.

CNV Internationaal and FNV Mondiaal's interest in planning, monitoring and evaluation is also evident from their 2005-2008 business plans, which show considerable improvements compared to previous plans. Also, FNV Mondiaal submits an additional comprehensive annual report to the ministry.

In spite of the introduction of the CNV-PME and LFA methods, CNV Internationaal and FNV Mondiaal annual reports still provide no insight in the extent to which the objectives of the Trade Union Cofinancing Programme are realised. This has two main causes: first, because the VMP policy framework did not clearly specify its objectives and results, the ministry was unable to give an accurate indication of the result information it required from CNV Internationaal and FNV Mondiaal; secondly, the CNV-PME and LFA methods do not adequately take into account the different contexts in which the Trade Union Cofinancing Programme is carried out. In the evaluation period, CNV Internationaal has not commissioned evaluations and there are no indications that its partners have commissioned evaluations of their activities. CNV Internationaal's approach does not include final project reports that comprehensively list and compare all results over a three-year period.

CNV Internationaal and FNV Mondiaal spend comparatively large amounts of time and money on the development and implementation of their planning, monitoring and evaluation methods (CNV-PME en LFA). Compared to the aid they

receive, partners must invest a lot of time in the integration of these methods in order to meet the requirements.

Engagement of Dutch trade union centres

8. *Assistance provided by the Dutch trade union centres supports the legitimacy of trade union organisations in developing countries.*
9. *Relationships with partners mostly focus on management aspects. Trade-union related issues are given limited consideration.*

Due to union-to-union relationships, partners receive support for activities that would normally not be supported by NGOs. For trade organisations supporting workers in the informal economy, association with the international trade union movement makes it easier to influence policy. A number of partners, mainly in South Africa, would like to extend current relations to international networks and relevant unions associated to the FNV trade union centre.

A number of partners have indicated that the technocratisation of relationships resulting from the implementation of the new planning, monitoring and evaluation methodologies happens at the expense of the management of trade union and labour issues.

3.2 Points of interest for the new policy framework and dilemmas

By formulating a number of points of interest and dilemmas, this evaluation aims to contribute to the development of a new VMP policy framework. The points of interest both concern ‘what’ questions, most of which to be answered by the ministry, and ‘how’ questions, to be addressed by those parties carrying out the VMP. Of course, if the feasibility of the objectives and the practicability of policy are concerned, both questions are interrelated and need to be addressed in a dialogue between the ministry and the executive parties.

VMP policy framework objectives and results

If the ministry wishes to clarify and define the objectives and planned results of the new policy framework, it will need to decide on its priorities and themes. Before this decision is made, the specific role of the Trade Union Cofinancing Programme needs to be addressed. Its role can be that of an innovative or catalysing programme, or it can be a programme that supports the basic

operations of trade union organisations in developing countries. These decisions also need to be made in order to be able to take a position on sustainability issues.

The successful achievement of VMP objectives is determined by the particular issues faced by the trade union movement in developing countries. A number of major issues are put forward by the evaluation: the capacity of the trade union movement in developing countries to contribute directly or indirectly to poverty reduction; challenges related to the informalisation of employment and people working in the informal economy; decreasing representativeness and the capacity of trade union movement to influence socio-economic policy; and cooperation relations between the trade union movement and NGOs and civil society organisations.

The formulation of objectives and results will need to address the limitations faced by trade union organisations in the South, international trade union organisations and CNV Internationaal and FNV Mondiaal. These limitations will make it impossible to bring about all envisaged changes to their full extent or within the set time frame. A new, more realistic VMP policy framework must therefore be based on a phased approach. This approach must also be geared to the implementation capacity of the CNV Internationaal and FNV Mondiaal.

Partner selection and solidarity

Bilateral support to partners is divided over a large number of countries (27 for CNV Internationaal and 59 for FNV Mondiaal). The resulting management burden is expected to increase due to the costs involved in the context and organisation analysis required for the justification of the partner and project selection. This would argue in favour of a restricted number of countries. However, one of the consequences of such restriction might be a decline in bilateral expenditures due to trade union organisations' limited capacity to implement projects. Another consequence might be that CNV Internationaal and FNV Mondiaal are compelled to discontinue a number of relationships that are valuable in terms of international solidarity.

Projects or strategic programmes

If the VMP policy framework is to prioritise trade union and labour rights, it would be advisable that CNV Internationaal and FNV Mondiaal are given the opportunity to enter into long-term cooperation relationships with their partners, as results in this area require long-term investments. This policy framework would have

to specify the objectives and results to be pursued, the capacity strengthening required to achieve these results, and an exit strategy. Additionally, the nature of the cooperation relations could be specified, as well as forms of cooperation other than financial support. It remains to be seen, however, how many partners would actually be interested in such a relationship.

Self-financing of 'training and education'

The evaluation indicates that a large number of trade unions in developing countries have no prospect of sufficient self-financing to afford the training and education activities needed to maintain their capacity level. A more detailed formulation of policy is advisable in this respect, in order to avoid complications at exits from research and training institutes.

Three fundamental causes for the lack of self-financing are: declining membership numbers, high turnover rates of executive and management personnel that put continuous pressure on the capacity of trade union organisations, and insufficient membership fees received by national trade union centres in developing countries. For recently established unions, things are even more difficult as they are relatively small compared to well-established unions. Due to insufficient self-financing, the institutional capacity of these trade union centres is under pressure, which limits their relevance to the affiliated unions. This would ultimately affect their financial position and create a vicious circle of donor dependency.

Another point is the fact that the effectiveness of training activities is contested, as it is not unequivocally established that the skills participants learn are actually applied in practice and stimulate change. The premise that training courses and workshops are the appropriate method for strengthening the trade union movement is not convincingly supported and rarely accounted for in reports. The literature suggests that the effectiveness of training is often overestimated, particularly in cases when no proper diagnosis is made and specific training needs are not specified in preparation of the course. Other forms of organisational development, such as coaching and consultancy, generally prove more effective.

Result-orientedness of the trade union movement

The evaluation provides a detailed examination of the factors that determine the way partners accept and use the planning, monitoring and evaluation method, the result information required by the ministry, and the way both trade union centres and the ministry used the available information to improve their management and

administration. In view of these points, an actualisation of planning, monitoring and evaluation methods (CNV-PME and LFA) seems appropriate.

Among the aspects that have not been adequately taken into account in the design and use of the methods are: i) the fact that the improvement of trade union and labour rights is generally accomplished by the joint efforts of different parties; ii) the fact that trade unions are usually involved in negotiations, in which they must attempt to break down the barriers that prevent the envisaged results from being achieved. This implies that promotion of trade union and labour rights is mostly beyond their range of influence and is therefore an uncertain process; and iii) the fact that assessing results at the level of trade union and labour rights requires an evaluation of each project period. These are currently not conducted.

In order to provide insight in the way the methodology was introduced, the evaluation was based on seven factors determining the extent to which it was accepted by, and had positive effects on, the partner organisations: 1) the partner's previous adoption of its own planning methodology, 2) organisational culture (action oriented, focussed on emancipation processes), 3) the partner's autonomy, 4) the time frame and the level of difficulty experienced by the organisation during the implementation process, 5) demands made by other donors, 6) flexibility accepted by CNV Internationaal and FNV Mondiaal in the implementation of the method, 7) the extent to which the partner organisation's board and management support the method and subsequently use the gathered data to adjust their policy.

In light of the ownership and sustainability of planning, monitoring, and evaluation methods and current insights on capacity building, the fundamental question must be asked whether it is desirable that CNV Internationaal and FNV Mondiaal introduce their own methods to their partners. An alternative would be to introduce an approach that distinguishes between the quality demands donors can impose on result-oriented planning, the methods employed to realise such quality demands, and the format for submitting plans and reports. This would allow partners to choose their preferred planning method, as long as requirements are met. In view of ownership and sustainable capacity development, it makes sense to make the partners concerned, i.e. CNV Internationaal, FNV Mondiaal and their respective partners, primarily responsible for accountability and learning functions. This also applies to the responsibility for independent evaluations.

When planning, monitoring and evaluation methods are updated, it is important to see to it that the administrative burden, time investment and costs involved for CNV Internationaal and FNV Mondiaal and their partners are in proportion to the use value of the information.

International Trade Union Confederation (ITUC)

In order to be able to operate as a strong negotiation partner at the international level, the World Confederation of Labour (WCL) and the International Confederation of Free Trade Unions (ICFTU) merged into the International Trade Union Confederation (ITUC). The organisational changes accompanying this merger have an effect on the way international support for Southern trade union organisations is organised. It is ITUC's aim that all support contributes to the unification process.

Considering the chosen strategy to carry out the Trade Union Cofinancing Programme through the Dutch trade union centres and the fact that the Dutch trade union movement plays such a central role in the international trade union movement, closer reflection is required on the question how the Trade Union Cofinancing Programme is to contribute to this unification process. It is therefore important that CNV Internationaal and FNV Mondiaal follow the developments within ITUC, report on these developments and indicate how the effectiveness of the Trade Union Cofinancing Programme can be increased.

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Ministry of Foreign Affairs
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2500 EB The Hague
The Netherlands

www.minbuza.nl/iob-en

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